

Effective Communication and Employee Performance in Tobacco Industry in Kenya

¹Jane Karimi Mutua

Department of Entrepreneurship, Technology, Leadership and Management, Jomo
Kenyatta University of Agriculture and Technology (JKUAT)

²Dr. Susan Were (PhD)

Department of Entrepreneurship, Technology, Leadership and Management, Jomo
Kenyatta University of Agriculture and Technology (JKUAT)

³Dr. Josphat Kwasira (PhD)

Department of Entrepreneurship, Technology, Leadership and Management, Jomo
Kenyatta University of Agriculture and Technology (JKUAT)

Corresponding email: janekarimi27@yahoo.com

Citation: Mutua, J. K., Were, S., & Kwasira, J. (2023). Effective Communication and Employee Performance in Tobacco Industry in Kenya. *Journal of Human Resource and Leadership*, 3(1), 1-11.

Abstract

Effective communication is crucial in enhancing employee performance, effective communication can be said to be the bloodline that keeps an organization alive and therefore lack of effective communication among employees can undermine the achievement of not only daily activities but also achievement of its mandate. This study sought to explore the effects of effective communication on employee performance in Tobacco industry in Kenya. The study used a descriptive research design. The target populations of the study were; the management-level employees of the two organizations. A representative sample of 200 managers was obtained using stratified random sampling. Data was analysed using descriptive and inferential statistics. The study found that employee communication has a positive and significant effect on employee performance in the tobacco industry in Kenya ($\beta=0.579$, $p=0.000$). The implication is that improving employee communication will enhance their performance. Organizations in the Tobacco industry are encouraged to cultivate effective communication to boost a healthy environment for both managers and employees to achieve greater profits. The study makes a significant contribution to practice in that organization managers can encourage and promote effective communication between the management and all stakeholders.

Keywords: *Effective communication, employee performance, communication channels, forms of communication, levels of communication and feedback*

1.0 Introduction

Employee performance is a tool and channel for achieving favourable outcomes through the entire workforce in the enterprise (Armstrong & Taylor, 2014). This is manifested in personal and group setups at the workplace. Handling organization profitability through official internal structures of prepared objectives, standard measurements, ability, and capacity that is needed to accomplish the same. Organizational performance is a responsibility that is squarely laid on the shoulders of supervisors. This process encompasses the role of guiding and assisting employees in delivering their best performance adequately and timely according to the agreements. This performance facilitates the achievement of the aims and intentions of the business entity (Mutsuddi, 2012).

Effective communication involves actions phrases, expressions, gestures, or conduct to convey or transfer information or to share concepts, reasons, and sentiments with another person. Communication is a synthesis of three components of a message, this includes information and understanding. Also, imparting, Effective Communication encompasses exchanging of information and hence elicits feedback from the recipient. It is deemed complete when it is accepted and interpreted rightly (Barbara, 2015). Effective communication remains a key element in building cordial relationships between employees and the management of an organization. Effective communication discourages speculation and eases conflicts among workers. Through effective communication, managers can minimise grapevine and poor industrial relations. Organizations cannot perform better and achieve their objectives if there is a bad relationship between employees and employers, therefore managers need to create and maintain a good relationship with their employees (Burns, 2012).

Mastermind Tobacco (k) Ltd was founded in 1987. It deals with tobacco industries in Kenya and sale of tobacco and tobacco products. The Company started in Nakuru with 30 employees but has grown with time to a multinational company, with approximately 3000 employees. In the year 2000, mastermind tobacco shifted from Nakuru to Nairobi, Mombasa Road. The flagship cigarette brand is super match Kings. Other cigarette brands are Super Match Menthol, Ralli Kings, Ralli Menthol, Summit Light, Super, and Rocket. Mastermind tobacco ltd (MT LTD) controls 30 % market share in Kenya. The Company also Export Cigarettes to South Sudan, Malawi, Congo, and Somalia. The Company produces over 350,000 cartons of cigarettes annually. The company also Exports raw tobacco to Europe and Middle East. To cater to the high tobacco demands, the company has contracted over 150,000 tobacco farmers. The main growing areas are Migori, Kuria, Lower Eastern, Nyabohanse, and Kiehancha. The Company also imports tobacco from Uganda and D R Congo.

British America Tobacco (BAT) Ltd is another tobacco manufacturing company in Kenya that deals with a cigarette. This Company is established and operates in Kenya. It is involved in selling cigarettes and tobacco by-products. British America Tobacco Company has a market-leading position in over 50 countries and it has over 10 types of cigarettes sold in the Kenyan market. The company's factory in Nairobi manufactures and supplies its products to various markets and churns out a spectrum of tobacco products in the market. The firm's factory is a manufacturing hub for Eastern Europe, Middle East, and Africa region. The Company's brands include Dunhill, Embassy, and Sportsman. This business was established in 1902 by Imperial Tobacco and American Tobacco Company. They agreed to form a joint venture British American Tobacco group business in Kenya began in 1907. It is a publicly listed company with 40% of its shares owned by the public. The company grows its tobacco through a group of approximately 5000 farmers across the country, mainly Migori, Bungoma, and Meru counties. BAT Company operates with a total of 450 full-time employees.

This tobacco and cigarette manufacturing organization also sells a high-end product called Rothmans in the Kenyan market. Other products are Dunhill Release, a mentholated convertible cigarette; Embassy Fresh, a differentiated menthol cigarette, and Dunhill Switch, a capsule that is also sold in the market. The organization has a green leaf threshing factory in Thika. British American Tobacco Kenya plc is located at Likoni Road, Industrial Area, in Nairobi-Kenya (BAT Annual Report, 2017).

1.1 Problem Statement

Employee performance has remained the greatest challenge that many organizations keep on trying to solve from time to time. Despite that many organizations in the 21st century are trying to use many tools to create the most conducive environment to facilitate employee performance, employee relations stands out as one of the powerful functions of human resource management that can effectively handle the work environment, and thereby improve employee performance. It is believed that poor or lack of effective employee relations adversely affects employee performance and on the other side sound employee relations promote employee performance. The business environment is highly competitive and hence there is a great need for them to embrace employee relations as a tool for success. In Kenya, many organizations have ignored this tool and given it a low or no attention at all, and they keep on struggling with various workplace grievances that culminate in industrial unrest which has a negative effect on employee performance, and poor employee relations leading to lack of harmony. In Kenya industrial unrest goes to full-blown strikes and lockouts whereby employees express their pain in matching in the city streets for many days to demonstrate not only the failure of an organization but their desire for fair treatment. It is believed that lack of effective communication may lead to poor employee performance. The current study assessed the effect of effective communication on employee performance in the Tobacco Industry in Kenya.

1.2 Research Hypothesis

H₀: Effective Communication has no significant effect on employee performance in the Tobacco Industry in Kenya.

2.0 Literature Review

2.1 Theoretical Review

Everett Rogers Diffusion Innovations Communication Theory Diffusion of innovations is a theory that seeks to explain how, why, and at what rate new ideas and technology spread. Diffusion theory examines how ideas are spread among groups of people. Diffusion theory goes beyond the two-step flow of information by including other dimensions that may influence how information is passed from one recipient to another and get feedback (Rogers, 2016).

The likelihood that information, and new ideas, brand, or procedures, will be embraced by employees in an organization requires clarity and focus. In multistep diffusion, the opinion leader still exerts a great effect on the conduct of persons, the team leaders are referred to as adapters, Diffusion theory has the following phases; awareness stage, interest stage, evaluation stage, trial stage, and adoption (Womack, 2015).

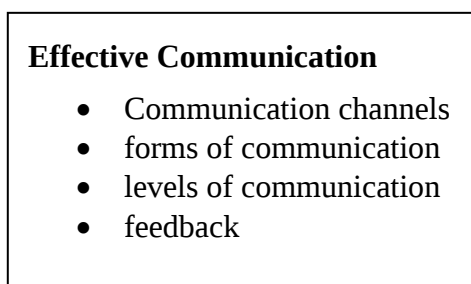
This theory supported the variable on communication at workplace. The managers can understand how message is received by different people, and therefore they can be able to choose the right channels and methods of communicating with the workers effectively. Managers may choose team leaders to champion the message they want employees to adopt, and through the phases of communication, they can monitor each stage and come up with successful strategies to communicate effectively (Womack, 2015).

2.2 Empirical Review

In a study on effective communication in organizations such as healthcare centres (Blizzard, 2012) a nursing student at Saint Anthony College of Nursing Rockford, IL. Below is a brief on what the study included; Blizzard said that although as a nursing student in the medical/surgical field. This article contained beneficial information that will help in nursing career and in developing communication skills to be used with patients. Communication is an essential component of the nursing role and when problems arise in the communication process, the patient is at risk. The author states, “Four core skills are necessary for effective communication to occur (Jenna, 2014). Understanding communication from another’s perspective, listening, emotional intelligence, and Conflict management” and further states, effective communication “Listening is the single most important skill for Effective communication.” The study agrees wholeheartedly because when a nurse neglects effective communication to listen to another member of the care team or the patient, vital information can be lost and the safety of the patient can be jeopardized (Jenna & Blizzard, 2012).

2.3 Conceptual Framework

Independent variable



Dependent variable

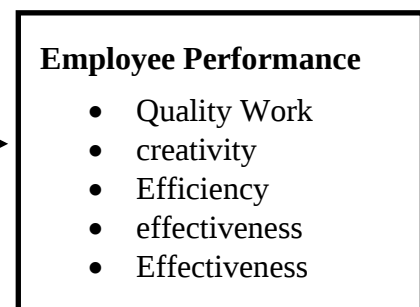


Figure 1: Conceptual framework

3.0 Methodology

The study used descriptive research methodology to ascertain the influence of effective communication on employee performance. Mastermind tobacco ltd and BAT employees specifically senior managers, middle managers, lower-level managers, and supervisors at the factory was used as respondents for the study. The target populations of the study were; the management-level employees of the two organizations. A representative sample of 200 managers was obtained using stratified random sampling. The study used questionnaires to collect primary data. Data was analysed using descriptive and inferential statistics. Data is presented in form of tables, graphs, and charts.

4.0 Results and Discussion

4.1 Descriptive Statistics

Employee communication

The study was to examine the effects of effective communication on employee performance in the Tobacco Industry in Kenya. The sampled respondents were asked to indicate their views based on specific aspects of employee communication which included effective communication, open communication channels, feedback mechanism from management, employee listening, down-top communication, oral communication, and manager–employee

interaction at work. The findings are as herein discussed in Figure 1 and Table 1. A 5-point Likert scale was used with 1 as the lowest and 5 as the highest rate. The study adopted a 5-point Likert scale (1= strongly disagree, 2 = disagree, 3 = neutral, 4 agree, 5=strongly agree).

As the findings of Figure 1 and Table 1 portray, the most emphasized aspects when dealing with employee communication are employee interaction with managers at the workplace with 56.1% of the respondents indicating agreement (29.1% agree & 27.0% strongly agree) and oral form of communication with 56.1% of the respondents indicating agreement (36.2 % agree & 19.9% strongly agree). Effective communication among managers and employees is also strongly emphasized with 53.5% of the respondents indicating agreement (32.0 % agree & 21.5% strongly agree) along with open communication channels with 51.2% of the respondents indicating agreement (26.1 % agree & 25.1% strongly agree). Those that are fairly emphasized are down top communication with 45.9% of the respondents indicating agreement (25.2 % agree & 20.7% strongly agree), feedback from management with 46.4% of the respondents indicating agreement (25.8 % agree & 20.6% strongly agree) and management listening with 43.8% of the respondents indicating agreement (26.6 % agree & 17.2% strongly agree). Overall, there is emphasis on all the elements of communication in the respective organizations.

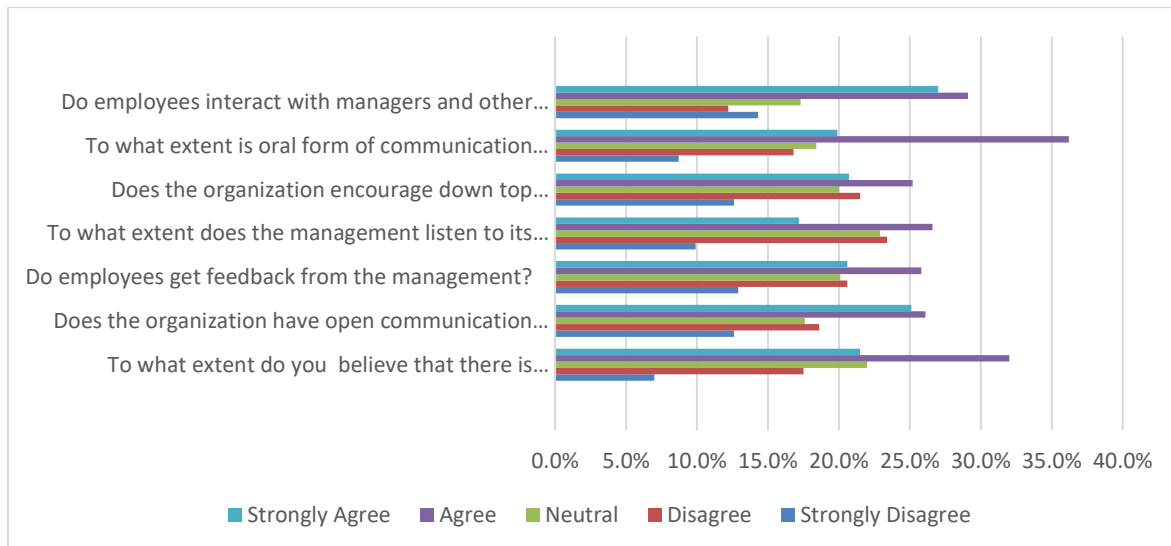


Figure 1: Descriptive Statistics on elements of employee communication

Table 1: Descriptive Statistics on elements of employee Communication

Factors	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
a. To what extent do you believe that there is effective communication among managers and employees in your organization	7.0%	17.5%	22.0%	32.0%	21.5%
b. Does the organization have open communication channels	12.6%	18.6%	17.6%	26.1%	25.1%
C. Do employees get feedback from the management?	12.9%	20.6%	20.1%	25.8%	20.6%
d. To what extent does the management listen to its employees?	9.9%	23.4%	22.9%	26.6%	17.2%

e. Does the organization encourage down-top communication organization.	12.6%	21.5%	20.0%	25.2%	20.7%
f. To what extent is oral form of communication mostly used in this organization?	8.7%	16.8%	18.4%	36.2%	19.9%
g. Do employees interact with managers and other employees at work place	14.3%	12.2%	17.3%	29.1%	27.0%
Average	11.2%	18.6%	19.8%	28.7%	21.7%

The respondents were further asked to indicate their level of agreement on specific statements regarding communication. The findings as shown in Table 2 reveal that the respondents were neutral on all the aspects of communication in the organizations as indicated by the values of the means and standard deviations.

Table 2: Employee Communication

Measurement Aspect	Mean	Std.Dev
To what extent do you believe that there is effective communication among managers and employees in your organization	3.47	1.21
Does the organization have open communication channels	3.35	1.35
Do employees get feedback from the management?	3.21	1.32
To what extent does the management listen to its employees?	3.19	1.24
Does the organization encourage down-top communication organization?	3.22	1.32
To what extent is oral form of communication mostly used in this organization?	3.44	1.22
Do employees interact with managers and other employees at workplace	3.43	1.37

Employee Performance

The study's dependent variable was employee performance. The sampled respondents were asked to indicate their views based on specific aspects of employee performance which included rating employee performance in the organization, employee creativity and innovation, rate of employee absenteeism, quality of work, and punctuality at the workplace. The findings as shown in Figure 2 and summarized in Table 3 revealed that employee performance is highly emphasized in their organization with 71.0% of the respondents indicating agreement (40.5% agree & 30.5 % strongly agree). Other aspects that also receive great emphasis include quality of work with 68.8% of the respondents indicating agreement (41.2% agree & 27.6% strongly agree) and punctuality at the workplace with 68.6% of the respondents indicating agreement (33.8% agree & 34.8% strongly agree). Those that are moderately emphasized are creativity and innovation with 47.7% of the respondents indicating agreement (27.6% agree & 20.1% strongly agree) and absenteeism with 35.2% of the respondents indicating agreement (22.1% agree & 13.1% strongly agree).

Business owners need employees that can get the job done because employee performance is critical to the overall success of the company. Business leaders need to understand the key benefits of employee performance so that they can develop consistent and objective methods for evaluating employees. Doing so helps determine strengths, weaknesses, and potential

managerial gaps in the business organization. Although performance evaluations are never fun, they help business leaders determine performance levels for each employee. One of the most important factors in employee performance is to achieve goals. Successful employees meet deadlines, make sales and build the brand via positive customer interactions (Kimberlee, 2019).

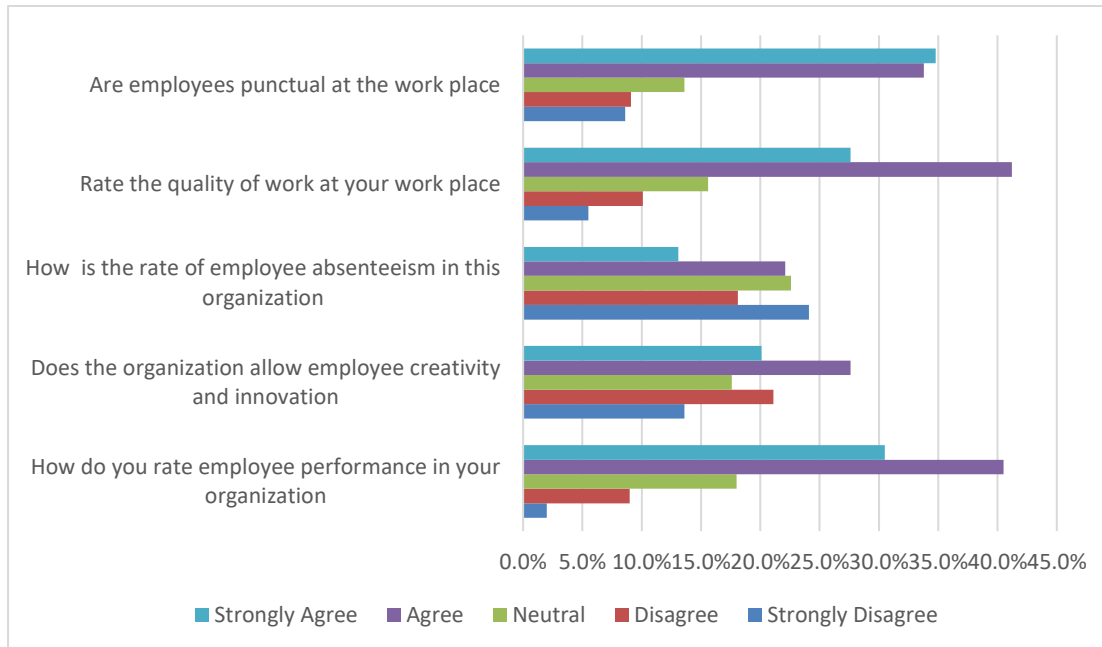


Figure 2: Extent of employee performance

Table 3: Descriptive Statistics on Employee Performance

Factors	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
a. How do you rate employee performance in your organization	2.0%	9.0%	18.0%	40.5%	30.5%
b. Does the organization allow employee creativity and innovation	13.6%	21.1%	17.6%	27.6%	20.1%
c. How is the rate of employee absenteeism in this organization	24.1%	18.1%	22.6%	22.1%	13.1%
d. Rate the quality of work at your workplace	5.5%	10.1%	15.6%	41.2%	27.6%
e. Are employees punctual at the workplace	8.6%	9.1%	13.6%	33.8%	34.8%
Average	10.8%	13.5%	17.5%	33.0%	25.2%

The respondent's level of agreement with specific statements on employee performance was sought. The findings as shown in Table 4 revealed that a majority of the respondents agreed that there is a high-level employee performance in their respective organizations as shown by a mean of 3.89 and a standard deviation of 1.00. The quality of work is also high as indicated by a mean of 3.76 and a standard deviation of 1.13 and punctuality of employees is high as indicated by a mean of 3.76 and a standard deviation of 1.26. The respondents are neutral on employee creativity and innovation as well as absenteeism as shown by the mean and the standard deviation of these aspects.

Table 4: Employee performance

Measurement Aspect	Mean	Std.Dev
How do you rate employee performance in your organization	3.89	1.00
Does the organization allow employee creativity and innovation	3.21	1.35
How is the rate of employee absenteeism in this organization	2.83	1.38
Rate the quality of work at your workplace	3.76	1.13
Are employees punctual at the workplace	3.76	1.26

4.2 Correlation Analysis

The study conducted correlation analysis to determine the strength of the association/relationship between the research variables. Table 5 shows that the Pearson correlation coefficient for employee communication was 0.683 and this demonstrates that employee communication has a strong positive correlation with employee performance.

Table 5: Correlation Analysis

		Employee communication	Employee performance
Employee communication	Pearson Correlation	1	.683**
	Sig. (2-tailed)		.000
	N	205	205
Employee performance	Pearson Correlation	.683**	1
	Sig. (2-tailed)	.000	
	N	205	205

****.** Correlation is significant at the 0.01 level (2-tailed).

4.3 Effects of effective communication on employee performance in the Tobacco Industry in Kenya

Regression analysis was conducted to determine whether effective communication has a significant effect on employee performance in the Tobacco industry in Kenya. Table 6 presents the regression model on employee communication versus employee performance. As presented in the table, the coefficient of determination R square is 0.467 and R is 0.683 at a 0.05 significance level. The coefficient of determination indicates that 46.7% of the variation in employee performance is influenced by employee communication. This implies that there exists a strong positive relationship between employee communication and employee performance.

Table 6: Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.683 ^a	.467	.464	0.6210

a. Predictors: (Constant), Employee communication

Table 7 presents the results of Analysis of Variance (ANOVA) on employee communication versus employee performance. As presented in table 5, the ANOVA results for regression coefficients indicate that the significance of the F is 0.00 which is less than 0.05 hence implying that there is a positive significant relationship between employee communication and employee performance.

Table 7: ANOVA of Employee communication

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	68.588	1	68.588	177.864	.000 ^a
	Residual	78.280	203	0.386		
	Total	146.868	204			

a. Predictors: (Constant), Employee communication

b. Dependent Variable: Employee performance

The study further determined the regression coefficients of employee communication versus employee performance and the results are presented in Table 8. The findings show that the relationship between employee communication and employee performance is positive since the coefficient of employee relations is 0.579 which is significantly greater than zero. The t-statistic is 13.337 and the P-value is 0.000 which is less than 0.05. This demonstrates that employee communication has a significant effect on employee performance.

Table 8: Regression Coefficients

Coefficients					
Model		Unstandardized Coefficients	Standardized Coefficients	t	Sig.
		B	Beta		
1	(Constant)	1.572		10.445	.000
	Employee communication	0.579	0.683	13.337	.000

a. Dependent Variable: Employee performance

4.4 Discussion of Findings

Descriptive statistics results showed that 50.4 percent of the respondents were in agreement that all the employee communication factors were emphasized in their respective organization (21.7 percent strongly agree and 28.7 percent agree), 19.8 percent were neutral and 29.8 percent

were in disagreement (11.2 percent strongly disagree and 18.6 percent disagree) that all these factors were embraced within their organization.

Pearson correlations analysis of employee communication results gave a Pearson correlation coefficient of 0.683 and this demonstrated that employee communication has a strong positive correlation with employee performance. Regression model on employee communication versus employee performance gave a coefficient of determination R square as 0.467 and R was 0.683 at a 0.05 significance level. The coefficient of determination indicated that 46.7% of the variation in employee performance is influenced by employee communication. This implies that there exists a strong positive relationship between employee communication and employee performance. The study, deduced that the key employee communication factors that affect employee performance in the Tobacco industry in Kenya include; effective communication strategies, feedback mechanism from management to employees, management listening to employees, encouraging down-top communication, embracing oral forms of communication and promoting the interaction of managers and other employees at the workplace Diffusion theory examines how ideas are spread among groups of people. Diffusion theory goes beyond the two-step flow of information by including other dimensions that may influence how information is passed from one recipient to another and get feedback (Rogers, 2016). The findings in the study agree with this theory, and looking at the elements of expression on effective communication strategies, feedback mechanism from management to employees, management listening to employees, encouraging down-top communication, embracing oral form of communication, and promoting the interaction of managers and other employees at the workplace. Effective communication is the most important management skill (Adair, 2021).

5.0 Conclusion

The study concluded that employee communication has a positive and significant effect on employee performance in the tobacco industry in Kenya. The implication is that organizations will benefit through embracing effective communication. The study makes a significant contribution to practice in that organization managers can encourage and promote effective communication between the management and all stakeholders.

6.0 Recommendations

The study found that there was a positive relationship between employee communication and employee performance in the tobacco industry in Kenya. Organizations are encouraged to cultivate effective communication to boost a healthy environment for both managers and employees to achieve greater profits, effective communication will also minimise misunderstandings among workers and hence reduce the gaps between them and our relationships.

References

- Adair, S. E. (2021). *Understanding a Child, the Occupational Therapy Way: Recognizing and Communicating the Unique Potential of a Child*. Routledge.
- Armstrong, M. (2014). *A manuscript on the study of Strategic Human Resource Management, a Guide to Action*. London, Kogan Page Limited.
- Barbara. J. (2015). *A Companion Hand Book on Communication It Has "Integrating Models of Diffusion of Innovations: A Ideal Framework*. Yearly Review of Sociology Annual Reports Madison, Oriel Incorporated
- Blizzard, J. L., & Klotz, L. E. (2012). A framework for sustainable whole systems design. *Design Studies*, 33(5), 456-479.

- Burns, J. M. (2012). Leadership. Open Road Media.
- Jenna, H. (2014). Design and Analysis of fractal antenna for wireless application (Doctoral dissertation).
- Mutsuddi, I. (2012). Supply Chain Management for Effective People Management: Issues and Challenges. IUP Journal of Operations Management, 11(4).
- Rogers, D. L. (2016). The digital transformation playbook: Rethink your business for the digital age. Columbia University Press.